

ASSEMBLY BILL

No. 556

Introduced by Assembly Member Wagner

February 16, 2011

An act to add Section 3294.5 to the Civil Code, relating to punitive damages.

LEGISLATIVE COUNSEL'S DIGEST

AB 556, as introduced, Wagner. Punitive damages.

Existing law authorizes the plaintiff, in an action for the breach of an obligation not arising from contract, where it is proven by clear and convincing evidence that the defendant has been guilty of oppression, fraud, or malice, to recover damages for the sake of example and by way of punishing the defendant in addition to the actual damages.

This bill would, in any action commenced on or after July 1, 2012, in which exemplary damages are recoverable pursuant to these provisions, require the trier of fact to determine whether the defendant is liable for exemplary damages, and require the trial court to determine the amount of the award and enter an order setting forth the amount of the award and the reasons supporting the award.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3294.5 is added to the Civil Code, to
2 read:

1 3294.5. (a) In any action in which exemplary damages are
2 recoverable pursuant to Section 3294, both of the following shall
3 apply:
4 (1) The trier of fact shall determine whether the defendant is
5 liable for exemplary damages.
6 (2) The trial court shall determine the amount of the award and
7 enter an order setting forth the amount of the award and the reasons
8 supporting the award.
9 (b) This section shall apply to an action commenced on or after
10 July 1, 2012.